

Pre-Award Checklist and Certification

For Locally Procured Federal-Aid Contracts

The following checklist describes the procedures and prescribes the sequence of steps that a Local Public Agency (LPA) must follow *prior* to awarding a Federal-aid construction contract. These procedures may only be used for qualifying contracts, as defined in [I.M. 3.720](#), Local Letting Process – Federal-aid.

Note: This checklist is not a complete list of all project development activities, but instead focuses only on those activities that are related to contract procurement. This checklist assumes that the LPA has already completed the applicable project development steps, as outlined elsewhere in the [Federal-aid Project Development Guide](#).

The LPA shall complete and submit this checklist and certification to the Iowa Department of Transportation (Iowa DOT) Administering Office as specified in the steps below. This checklist will also be used by Administering Office staff to review and document the LPA's compliance with the various Federal and State laws, regulations and policies relating to procurement of Federal-aid construction contracts.

Items with an asterisk (*) are the responsibility of the LPA. While the LPA may use the services of a consultant to perform some of these responsibilities, the LPA is ultimately responsible for ensuring that these responsibilities are carried out.

Checklist

- ☐* 1. LPA requests permission from the Administering Office to procure the contract locally, by means of either sealed bids or quotes. The written request must include the following items:
 - the Iowa DOT project number;
 - a detailed description of the type and scope of the proposed contract work; and
 - an up-to-date cost estimate for the proposed contract work.
- ☐ 2. The Administering Office reviews the request and verifies that the proposed work qualifies for local procurement of a Federal-aid contract.
- ☐ 3. If the proposed work qualifies, the Administering Office prepares and sends the LPA an unsigned copy of the Supplemental Agreement for Locally Procured Federal-Aid Contracts, as shown in [Attachment C](#). If the proposed work does not qualify, the Administering Office notifies the LPA accordingly.
- ☐* 4. If it has not done so already, the LPA thoroughly reviews the Supplemental Agreement and all of the guidance, information and forms contained in [I.M. 3.720](#), Local Letting Process – Federal-aid. If the LPA has questions concerning the procedures or requirements, the LPA contacts the Administering Office for assistance.
- ☐* 5. LPA signs and returns the Supplemental Agreement to the Administering Office.
- ☐ 6. The Administering Office signs the Supplemental Agreement and distributes copies to the LPA and other Iowa DOT offices as appropriate.
- ☐* 7. The LPA checks its file to see if FHWA Environmental Concurrence has been received from the Iowa DOT, Office of Location and Environment. If it has not yet been received, the LPA contacts the Administering Office for assistance. For more information, refer to [I.M. 3.112](#), FHWA Environmental Concurrence Process.

NOTE: The LPA shall not begin right-of-way negotiations until FHWA Environmental Concurrence has been received.

- ☐* 8. The LPA checks the status of any needed right-of-way (including acquisitions, easements, or any type of property rights). If any needed right-of-way has not been obtained, the LPA contacts the Administering Office for assistance. All right-of-way must be obtained before issuing an advertisement for bids or quotes. **Note:** Projects that involve Federal-aid in any aspect of the work, even if Federal-aid is not used for the property acquisition itself, must follow the Federal requirements for property acquisition. For more information, refer to [I.M. 3.605](#), Right-of-Way Acquisition.

- ☐* 9. The LPA reviews the proposed contract work to determine if a Disadvantaged Business Enterprise (DBE) goal will be set, and if so, the level of DBE goal that will be established. For guidance on setting DBE goals, refer to [I.M. 3.710](#), DBE Guidelines.
- ☐* 10. The LPA prepares a complete set of bid or quote documents for the proposed contract work. This shall include, as a minimum, the following documents:

Notice to Bidders The LPA may use its own form of notice used for other locally let public improvement projects. At a minimum, the Notice to Bidders must contain the following information:

- The time, date, and location for filing and opening of bids or quotes.
- The general nature or description of the proposed contract work.
- In general terms, when the proposed contract work must begin and be completed.
- Whether or not a DBE goal has been set for the contract. If a goal has been set, specify the percentage DBE goal.
- If more than 50% of the work is located within the existing right-of-way of a Federal-aid highway and is estimated to cost more than \$2,000, or if any part of the contract work will be reimbursed with Safe Routes to School (SRTS) program funds, include a notification that Davis-Bacon predetermined wage rates will apply to all work under the contract. The notification should be similar to the following example, where “XXXXXX” is the number of the wage rate determination in effect at the time the bid documents are issued:

*“The predetermined wage rates for the State of Iowa, as specified in General Decision Number IAXXXXXX and required by Section XI of the Proposal Notice, are in effect for this contract. The bidder may obtain a copy of this wage rate determination on-line at:
http://www.ia.bidx.com/lettings/wage_rates.pdf.”*

- A notification that sales tax exemption certificates will be issued by the LPA to the successful bidder and its subcontractors so that they may purchase materials and supplies for the contract free of sales tax.

Note: State law allows the LPA the option of either issuing exemption certificates or requesting a refund of sales tax paid on materials or supplies used for public improvement projects. However, the Iowa DOT *requires* the use of exemption certificates for State or Federally funded contracts. For locally procured Federal-aid contracts, the LPA shall be responsible for obtaining these certificates from the [Iowa Department of Revenue](#), as specified in the [701 Iowa Administrative Code, Chapter 19](#), Rule 19.12. These certificates shall be used by the successful bidder when purchasing materials or supplies for completion of the contract.

Plans and / or Specifications These shall be developed as appropriate for the complexity and scope of work to be performed. They must provide enough detail to enable a prospective contractor or supplier to prepare an accurate bid or quote. The method of measurement and basis of payment shall be described for each contract bid item. Because of differing Federal requirements, the plans shall also indicate the following:

- if the contract work will be reimbursed in whole or in part by the SRTS program funds; and
- if the contract work is located on a Federal-aid highway (Federal-aid highways include all roads shown on the [Federal Functional Classification Maps](#), except those classified as Local and Rural Minor Collectors).

Iowa DOT Bid or Quote Form

- If sealed bids will be used to procure the contract, the LPA shall use the *Bidding Proposal for County / City Projects (Form 740384)* ([PDF](#)) ([Word](#)). If a DBE goal was set for the contract, the Bidding Proposal must specify the established DBE goal (as a percentage of the total contract amount).
- If quotes will be used to procure the contract, the LPA shall use the *Request for Quotation (Form 740386)* ([PDF](#)) ([Word](#)).

Iowa DOT Proposal Notice The bid or quote documents shall contain the *Proposal Notice* ([PDF](#)) which includes the Federal-aid contract provisions that are applicable for locally procured Federal-aid contracts.

DBE Documents If a DBE goal was set for the contract, the bid documents must also include the following (if no goal was set, these are not required):

- the *DBE Contract Provisions* ([PDF](#)), which specifies the DBE requirements that must be satisfied by both the bidder / contractor and the LPA; and
- the *Statement of DBE Commitments (Form 517012)* ([PDF](#)), which must be completed by all bidders to indicate their proposed level of DBE involvement on the contract.

- ☐* 11. After FHWA Environmental Concurrence has been obtained, and any needed right-of-way has been obtained, the LPA sends a request to advertise for bids or solicit quotes to the Administering Office. This request shall include the following:
- the proposed bid or quote documents, as described above;
 - a detailed cost estimate, which includes the estimated unit or lump sum costs for each item of work and a total estimated contract cost;
 - if the estimated cost exceeds \$100,000, and no DBE goal is proposed for the contract work, an explanation as to why no DBE involvement is proposed; and
 - a completed and signed *Project Development Certification (Form 730002)* ([PDF](#)) ([Word](#)), as per [I.M. 3.750](#), Project Development Certification Instructions.
- NOTE: The LPA shall not advertise for bids or solicit quotes until after the LPA has received written approval from the Administering Office to do so.**
- ☐ 12. If not already requested, the Iowa DOT requests FHWA authorization for the contract work.
- ☐ 13. The Administering Office reviews the bid or quote documents. If the documents are not acceptable, the Administering Office works with the LPA to correct any deficiencies.
- ☐ 14. The Administering Office confirms that FHWA Environmental Concurrence and FHWA authorization have been obtained, and the *Project Development Certification (Form 730002)* ([PDF](#)) ([Word](#)), has been reviewed and approved by the appropriate Iowa DOT offices.
- ☐ 15. If these are complete, the Administering Office notifies LPA that it may proceed to advertise for bids or solicit quotes. If any of these are not complete, the Administering Office contacts the LPA and explains what additional steps are necessary in order to proceed.
- ☐* 16. If using competitive bids, the LPA shall advertise the project in accordance with Code of Iowa Section 26.3. In addition, the LPA shall:
- Make a good faith effort to obtain at least 3 bids. This may include contacting prospective contractors or publishing the notice to bidders in a relevant contractor organization publication or a relevant plan room service.
 - If the contract is for highway type work, advertise the project in the Iowa DOT's [Local Agency Letting Information Report](#). If the contract is for non-highway type work, advertisement in this report is encouraged, but not required. The LPA may send a request to the Iowa DOT, Office of Contracts for advertisement in the Local Agency Letting Information Report via letter, e-mail, or by using the *Bulletin Reporting Form (Form 650013)* ([PDF](#)) ([Word](#)). For additional instructions, refer to [I.M. 3.720](#), Local Letting Process – Federal-aid.
 - After the local advertisement for bids is published, send a copy of the local advertisement to the Administering Office.
- ☐* 17. If using competitive quotes, in accordance with Code of Iowa Section 26.14 and 761 Iowa Administrative Code, Chapter 180 ([761 IAC 180](#)), the LPA shall make a good faith effort to obtain at least 2 quotes from contractors or suppliers that are regularly engaged in providing the type of work or supplies that are being requested.
- ☐* 18. If using competitive bids, the LPA shall hold a public hearing in accordance with Code of Iowa Section 26.12.

- ☐* 19. If using competitive bids, the LPA shall open bids in accordance with Code of Iowa Section 26.10. If the estimated contract cost is greater than \$100,000, an Administering Office representative may attend the public letting.

NOTE: The LPA shall not award a contract until receiving written approval from the Administering Office to do so.

- ☐* 20. Within 5 business days after bids are opened or quotes are received, the LPA shall review all bids or quotes received for conformity with the bidding requirements. Note: The LPA shall keep copies of all quotes or bids received, regardless of whether the bids or quotes will be accepted or rejected.

If a DBE goal was set for the contract, the LPA shall complete the following additional steps:

- Review the DBE commitment of the otherwise lowest responsive bidder and determine if that bidder made a good faith effort to achieve the DBE goal. Good faith efforts shall be judged in accordance with the criteria set forth in the *DBE Contract Provisions* ([PDF](#)) and in [I.M. 3.710](#), DBE Guidelines.
- If the lowest responsive bidder made a good faith effort, proceed to Step 24.
- If the otherwise lowest responsive bidder did not make a good faith effort, the LPA informs the otherwise lowest responsive bidder and offers an opportunity for an administrative reconsideration of its good faith effort.
- If the otherwise lowest responsive bidder requests an administrative reconsideration of its good faith effort within three (3) business days of the LPA's offer, proceed to the next step. If administrative reconsideration is not requested, proceed to Step 24.

- ☐* 21. The LPA notifies the Administering Office of the bidder's request for administrative reconsideration and forwards the following information to the Administering Office:

- The LPA's reasons for finding that the bidder did not make a good faith effort.
- The bidder's *Statement of DBE Commitments (Form 517012)* ([PDF](#)). Note: the bidder is not allowed to modify their original DBE commitment.
- Additional written documentation provided by the bidder to justify their good faith efforts to meet the DBE goal.

- ☐ 22. The Iowa DOT's Administrative Reconsideration Committee evaluates the bidder's request and makes a determination of the bidder's good faith effort. The Administering Office notifies the LPA and the bidder of its decision.

- ☐* 23. If the Iowa DOT approves the bidder's request, the LPA shall consider the bidder responsive with respect to the DBE good faith effort requirement. If denied, the LPA returns to Step 20 and reviews the good faith effort of the next lowest bidder.

- ☐* 24. If the LPA intends to award a contract to the lowest responsible and responsive bidder or quoter, the LPA notifies the Administering Office in writing and requests concurrence in award of the contract. This request shall include the following:
- a completed and signed Pre-Award Checklist and Certification (this document)
 - a tabulation of all bids or quotes received (if a DBE goal was set for the contract, the tabulation of bids shall also specify the DBE commitment submitted by each bidder)
 - copies of all bids or quotes received
 - if a DBE goal was set, signed copies of all *Statement of DBE Commitments (Form 517012)* received; if a DBE goal was not set, one signed copy of this form with only the applicable parts completed by the LPA.

If all bids or quotes will be rejected, the LPA shall explain in writing why all bids or quotes will be rejected and its future plans for the project (i.e., whether it will be re-let, revised in scope, cancelled, etc.).

- ☐ 25. The Administering Office reviews the bid tabulation and the copies of bids or quotes received, including the *Statement of DBE Commitments (Form 517012)* ([PDF](#)). The Administering Office also reviews the Pre-Award Checklist and Certification and verifies all the necessary steps have been completed.

If acceptable, the Administering Office signs and dates the Pre-Award Checklist and Certification and notifies the LPA of its concurrence in award of the contract. If there are irregularities or problems with the bids or quotes, or if all the necessary steps have not been completed, the Administering Office works with the LPA to correct any deficiencies.

LPA Certification

As the duly authorized employee of the local public agency named below, having responsible charge of the project named below, I hereby certify, under penalty of perjury under the laws of the United States and the State of Iowa, that the above noted responsibilities assigned to the local public agency have been completed.

Project No.: _____ Local Public Agency: _____

Description of Proposed
Contract Work: _____

Name: _____ Title / Position: _____

Signature: _____ Date: _____

Iowa DOT Review

As the authorized representative of the Iowa Department of Transportation, I have reviewed this checklist and found the local public agency named above to be in substantial compliance with its responsibilities as assigned above. I have also verified the responsibilities assigned to the Iowa DOT have been completed. The local public agency hereby receives Iowa DOT concurrence in award of the above described contract.

Name: _____ Iowa DOT Office: _____

Signature: _____ Date: _____